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# भारत का राजपत्र

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प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

### LOK SABHA

The following Bill was introduced in Lok Sabha on 19-12-2000.

BILL No. 208 OF 2000

*A Bill to implement Agreements entered into by India with other countries in pursuance of the Convention on International Civil Aviation opened for signatures at Chicago on the 7th December, 1944.*

WHEREAS a Convention on International Civil Aviation was signed by India on the 7th December, 1944;

AND WHEREAS India, having signed the said Convention, entered into Agreements with the parties to the said Convention to exempt the taxes and duties on fuel and lubricants supplied in India to the aircraft of the contracting parties.

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

1. (1) This Act may be called the Aircraft (Exemption from Taxes and Duties on Fuel and Lubricants) Act, 2000.

Short title and extent.

(2) It extends to the whole of India.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "Agreement" means the Air Services Agreements or Air Transport Agreements entered into by India with parties to the Convention;

(b) "Convention" means the Convention on International Civil Aviation opened for signatures at Chicago on the 7th December, 1944.

Exemption  
from levy of  
taxes and  
duties on fuel  
and lubricants  
supplied to  
aircraft of  
other  
countries.

3. Where, in pursuance of the Convention or Agreement with any other country or countries, it is necessary to grant exemption from levy of taxes and duties on fuel and lubricants filled into receptacles forming part of any aircraft of any other country or countries under any law of a State or Union Territory in India, the Central Government may, by notification in the Official Gazette, make such provisions as may be necessary for giving effect to the said Convention or Agreement and thereupon the said provision shall apply accordingly and, notwithstanding anything contrary contained in any other law, shall in such application have the force of law in India.

### STATEMENT OF OBJECTS AND REASONS

The bilateral air services agreements signed by the Government of India with other countries provide for, on reciprocal basis, either grant of outright exemption from payment of custom duties, local duties, taxes, etc., on Aviation Turbine Fuel (ATF) and other items uplifted by aircraft of one Contracting State from the territory of the other Contracting State or grant of most favoured nation treatment in these matters to the airlines of the Contracting States.

2. The International Civil Aviation Organisation (ICAO) has also adopted a resolution in December, 1993 which, *inter alia*, provides that when an aircraft registered in one State or an aircraft leased or chartered by an operator of that State departs from an international airport of another State either for another customs territory of that latter State or for the territory of any other State, the fuel, lubricants and other consumable technical supplies taken on board for consumption during the flight shall be exempt from all customs and other duties. Such duties and taxes shall include those levied by any taxing authority within a State, whether national or local.

3. In order to fulfil the obligations arising out of the air services agreements and the resolution of the International Civil Aviation Organisation as indicated above, the Central Government was earlier paying subsidy to the State Governments for exempting international airlines from levy of sales tax on Aviation Turbine Fuel uplifted by them from India. As a part of the general policy for reduction or elimination of various subsidies, the scheme was discontinued from the 1st December, 1994 by the Central Government.

4. Following discontinuation of this scheme, a number of representations were received from foreign airlines stating that the levy of sales tax was contrary to the provisions of bilateral air services agreements signed by the Government of India as well as the resolution adopted by ICAO. Keeping in mind the obligation arising out of the bilateral air services agreements and ICAO resolution, it is proposed that a legislation may be enacted under article 253 read with entry 14 of List I of the Seventh Schedule to the Constitution to exempt from all duties and taxes, the fuel and lubricants uplifted by an aircraft registered in another State operating international services to, from and through India.

5. The Bill seeks to achieve the aforesaid objects.

NEW DELHI;

SHARAD YADAV.

*The 27th November, 2000.*

G. C. MALHOTRA,  
*Secretary-General*

